

Workers' Comp Rates to Decrease for Fifth Consecutive Year

Double-digit drop effective December 1

Insurance Commissioner Trinidad Navarro announced today that workers' compensation insurance rates will decrease for the fifth year in a row, effective December 1, 2021. The voluntary market is seeing yet another double-digit decrease in voluntary market loss costs, with an average 20.02% reduction, and residual market rates will go down an average of 20.01%.

"We have worked hard to lower worker's compensations costs year after year to help our local businesses and attract new ones to our state. I'm proud to say that companies are doing their part to reduce risks through programs like our Workplace Safety initiative as well," said **Insurance Commissioner Trinidad Navarro**.

Workers' compensation insurance is an employer cost that provides coverage when an employee is hurt on the job, it can provide medical coverage as well as payments for lost wages if a person is unable to come to work due to their injury. Lower premiums do not change the amount of compensation an injured employee receives.

The Delaware Compensation Rating Bureau (DCRB) agreed to the lower rates after discussion with the Department of Insurance and the State's Ratepayer Advocate. The approval process included a review of the DCRB filing by actuaries for each party, and a public hearing. Actual savings vary by policy.

These lower rates are just one component of several efforts shepherded by the Department to help businesses financially. More than 1,100 employers are saving even more money on their

workers' compensation premiums by participating in the department's [Workplace Safety Program](#). Last year's total savings was approximately \$7 million. Eligible businesses can earn up to a 19% discount on their insurance by successfully undergoing annual safety inspections and complying with associated recommendations. These savings can help employers better weather the storm of the economic downturn due to COVID-19. Importantly, individual employees may also benefit directly from employer-based safety goals – for example, a workplace may offer bonuses if there are no injuries for a given timeframe and thus pass on the financial savings to their workers.

Businesses eligible for the Workplace Safety Program are notified about the program each year seven months prior to their renewal date, but late applications **are** being accepted as many businesses were closed when they were notified of their eligibility due to COVID-19. Organizations interested in participating can [access questionnaires online](#) and contact safety@delaware.gov to begin the process.

Interested employers are urged to note on their questionnaires their current hours and best point of contact if these have been adjusted due to COVID-19 so inspectors can plan site visits. A physical walkthrough is still required for employers to earn a safety discount. Only benefits can be gained by participating, failure to qualify cannot be the basis for premium increases or sanctions imposed by other safety enforcement officials.

[View the DCRB website](#)